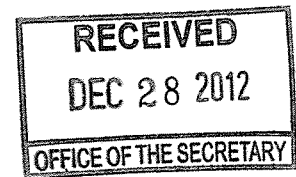


UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION



SECURITIES EXCHANGE ACT OF 1934
Release No. 67793/September 6, 2012

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 3415/ September 6, 2012

ADMINISTRATIVE PROCEEDING
File No. 3-15012

<hr/> In the Matter of S.W. Hatfield, CPA and Scott W. Hatfield, CPA Respondents. <hr/>	: RESPONDENT S.W. HATFIELD'S ANSWER : TO CORRECTED ORDER INSTITUTING : PUBLIC ADMINISTRATIVE AND CEASE- : AND-DESIST PROCEEDINGS PURSUANT : TO SECTIONS 4C AND 21C OF THE : SECURITIES EXCHANGE ACT OF 1934 : AND RULE 102(e) OF THE COMMISSION'S : RULES OF PRACTICE
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**ANSWER OF RESPONDENTS S.W. HATFIELD, CPA
AND SCOTT W. HATFIELD, CPA**

COME NOW Respondents S.W. Hatfield, CPA ("SWH") and Scott W. Hatfield, CPA ("Scott Hatfield") (collectively, the "Respondents"), and file this Answer to the Corrected Order Instituting Public Administrative and Cease-and-Desist Proceedings Pursuant to Sections 4C and 21C of the Securities Exchange Act of 1934 and Rule 102(e) of the Commission's Rules of Practice ("OIP") and pursuant to 17 C.F.R. § 201.220 answer as follows:

RESPONDENTS

1. Respondents admit the allegations contained in the first and second sentence of paragraph 1 of the OIP. With respect to the third sentence of paragraph 1, Respondents deny the allegations contained therein. With respect to the fourth sentence of paragraph 1, Respondents deny the allegations contained therein.

2. To the extent a responsive pleading is required, Respondents admit the allegations contained in the first and last sentences of paragraph 2 of the OIP. With respect to the second sentence of paragraph 2, the allegations contain a legal conclusion in alleging that Respondent Scott Hatfield knowingly signed the audit reports in question to which no responsive pleading is required, or alternatively, Respondents lack sufficient information to admit or deny the allegations.

FACTS

1. Respondents admit the allegations contained in paragraph 1 of the OIP.¹
2. The allegations in paragraph 2 of the OIP contain legal conclusions to which no responsive pleading is required, or alternatively, Respondents lack sufficient information to admit or deny the allegations.
3. Respondents admit the allegations contained in paragraph 3 of the OIP.
4. Respondents lack sufficient information to admit or deny the allegations contained in paragraph 4 of the OIP.
5. Respondents admit the allegations contained in the first sentence of paragraph 5 of the OIP. With respect to the second sentence of paragraph 5, the allegation contains a legal conclusion to the extent that it sets forth Respondent Scott Hatfield's alleged state of mind; to which no responsive pleading is required, or alternatively, Respondents lack sufficient information to admit or deny the allegations.
6. Respondents admit the allegations contained in paragraph 6 of the OIP.
7. Respondents deny the allegations contained in paragraph 7 of the OIP.

¹ Answers in each subsection correspond with the numbering scheme in the OIP. Accordingly, paragraph 1 and following of the "Respondents" section, paragraph 1 and following of the "Facts" section, and paragraph 1 and following of the "Violations" section will be denoted as such.

8. Respondents lack sufficient information to admit or deny the allegations contained in paragraph 8 of the OIP.

9. Respondents deny the allegations contained in paragraph 9 of the OIP.

10. Respondents deny the allegations contained in paragraph 10 of the OIP.

11. Respondents deny the allegations contained in paragraph 11 of the OIP.

VIOLATIONS

1. Respondents deny the allegations contained in paragraph 1 of the OIP.

2. Respondents deny the allegations contained in paragraph 2 of the OIP.

3. Respondents deny the allegations contained in paragraph 3 of the OIP.

RESERVATION

1. Respondents reserve the right to supplement and amend this Answer as necessary and appropriate.

2. Respondents reserve the right to add counterclaims at a later time with Court authority.

3. To the extent any allegation is not specifically addressed herein, such allegation is denied.

4. Respondents demand strict proof of all allegations made in the OIP.

CONCLUSION

Respondents request that the Securities and Exchange Commission's request for public administrative and cease-and-desist proceedings be denied.

Signed this 20th day of December 2012.

Respectfully submitted,



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